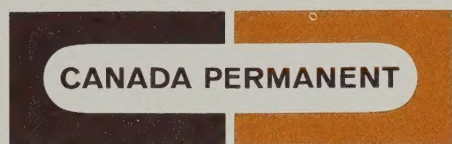



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February
1966

**“ Integrity builds confidence.
Confidence builds success.
With us this is
the Permanent way
of doing business.”**

Here are the highlights of our 111th successful year



CHARLES F. MACKENZIE
President & Chief Executive Officer

	1965	1964
COMBINED TOTAL ASSETS, owned and under administration	\$1,646,863,000	\$1,497,330,000
CONSOLIDATED NET PROFIT	\$ 3,568,000	\$ 3,311,000
CONSOLIDATED NET PROFIT PER SHARE . .	70¢	69¢
COMBINED DEPOSITS, debentures and guaranteed certificates	\$ 572,543,000	\$ 517,396,000
COMBINED TOTAL MORTGAGES	\$ 461,683,000	\$ 388,537,000
ESTATES, TRUSTS AND AGENCIES	\$1,033,959,000	\$ 947,008,000

A Report to the Shareholders

Nineteen hundred and sixty-five was still another good year for Canada Permanent and gains were recorded in all departments of our business. The highlights of the combined operations of our two companies, Canada Permanent Mortgage Corporation and Canada Permanent Trust Company, are set out on the first page of this Report.

The assets of the parent company, Canada Permanent Mortgage Corporation, grew by \$47,876,000, which represents a gain of 11% over the previous year. Mortgage investments increased by \$49,131,000, a gain of 15% over the previous year. Savings deposits were higher in the aggregate by \$7,221,000 and debentures increased by \$33,447,000. The net profit for the year, after making full provision for investment reserve, depreciation, etc. and provision for income tax, amounted to \$3,309,200, a gain of \$259,100 or approximately 8.5% over the previous year. As will be noted from the statement on Page 8, we have set out this year in much greater detail, information regarding the source of our income, particulars of our major expenditures and the allocation of the net profit.

One change in the Board of Directors has occurred since the last annual general meeting. The Hon. Robert H. Winters retired following his election to Parliament and appointment to the Cabinet. The vacancy on the Board thus created has been filled by Mr. Beverley Matthews.

The notice calling the annual general meeting of shareholders which accompanies this Report announces that a by-law to increase the number of Directors to twenty-six and provide certain regulations concerning the Board will be presented to the shareholders. A copy of the proposed by-law is contained in the notice calling the meeting. The expansion of the Board of the parent company to twenty-six will make it more representative of our two companies and will point up, more than ever, that Canada Permanent constitutes a strong trust and loan complex.

The shares of the Corporation were subdivided five for one on November 5th, 1965 and the shares now have a par value of \$2. The net earnings amounted to 64.8¢ per share on the average number of shares outstand-

ing during the year (\$3.24 per share, had the par value remained at \$10 per share). In November last the new \$2 par shares were placed on a quarterly dividend basis of 12¢ per share (equivalent to 60¢ quarterly on the previous \$10 par value shares) and the first such dividend of 12¢ was declared, payable on January 3rd, 1966, along with an extra dividend of 3¢ per share. The total paid out in dividends in 1965 was \$2.35 and on the new basis of the \$2 par value shares, dividends for 1966 will be 51¢ (the equivalent of \$2.55 on the former \$10 par value shares). The undivided profits for the year, added to \$141,529 brought forward from the previous year, permitted the transfer to Reserve Fund of \$667,940, leaving \$439,569 of undivided profits. In June last, as a result of an offering of additional shares—shareholders were offered one \$10 share at \$60 for each nine shares held—there was realized the amount of \$6,397,160, of which \$1,065,100 was added to capital and the balance to the reserve fund which now stands at \$28,500,000. All of this is reflected in the Balance Sheet for the year.

Canada Permanent Trust Company enjoyed its best year yet, with new highs reached in assets under administration, in Guaranteed Account and in net profits. The total assets owned and under administration reached \$1,185,922,000, there being a total increase of \$101,668,000, made up of net gain in assets under administration, \$86,951,000, and net gain in Capital and Guaranteed Account, \$14,717,000. A point of interest in the Trust Company's Balance Sheet is an increase in mortgages of approximately \$24,013,000; these investments now total \$87,350,000. The net profit, after transfer to investment reserve and taxes, amounted to \$956,263, approximately 6% higher than the 1964 profit.

The year 1965 was a difficult one for trust and loan companies and it is not necessary to remind you of the uncertainties which developed in the minds of people, concerning financial institutions generally, as a result of the failure of the Atlantic Acceptance Corporation and the difficulties encountered by the British Mortgage and Trust Company. Fortunately, however, the public accepted these as being exceptional situations and confidence in the integrity of well-managed companies was maintained.

A year ago, it was mentioned in the Report to the Shareholders that we were studying the use of electronic data processing methods. We are pleased to report that our programme is now well under way and we expect that we will have delivered to us early in 1967 the newest and

most advanced I.B.M. computer, model 360. Already we are programming the use of this amazing and flexible equipment which will permit us to maintain our leadership in the trust and loan industry and provide for future expansion of our business.

The establishment of new branches across Canada continued during 1965 and nine new offices were opened at the following points: Prince George, Penticton and an additional office in the City of Vancouver, all in the Province of British Columbia; an additional office in Calgary, Alberta, in the Chinook Shopping Centre there; an office in the important industrial City of Sarnia, Ontario; an additional office in Nova Scotia in the City of Dartmouth. The new branch established in Charlottetown completed Canada Permanent representation in all ten Provinces of Canada. Two additional new branches were also opened in the Metropolitan Toronto area. We occupied our impressive new premises in Montreal at 600 Dorchester Boulevard West towards the end of last year and this building now provides us with excellent accommodation in that city. Since the first of this year we have established another office in Toronto. In a few days' time we will be conducting business in our handsome new building in Brantford and we expect shortly to occupy our new building in the City of Ottawa; at both of these points we have been long and successfully established and the growth of our business requires larger and more modern premises. We are soon to open a branch office in Kamloops, British Columbia and one in the City of Brockville, Ontario; plans have been completed for a new office building in the City of Regina to accommodate our rapidly expanding business there. It is expected that by the end of 1966 we will have at least forty-five branches, as we are considering several additional locations at the present time.

The expansion of our business, carried on through a larger chain of branch offices, has been a challenge to the administrative staff, particularly the senior, experienced people. The Directors commend the contribution made by all the staff in adding another year to the long record of success of Canada Permanent.

C. F. MACKENZIE
President

TORONTO, 12th January, 1966

CANADA PERMANENT MORTGAGE CORPORATION

Board of Directors

President

CHARLES F. MACKENZIE - - - - - TORONTO, ONTARIO

Vice-Presidents

HON. T. D'ARCY LEONARD, C.B.E., K.C.S.G., Q.C., LL.D. - - TORONTO, ONTARIO
Member of The Senate of Canada

HENRY S. GOODERHAM - - - - - TORONTO, ONTARIO
President, The Dominion of Canada General Insurance Company

JOHN A. MACAULAY, Q.C., LL.D. - - - - - WINNIPEG, MANITOBA
Partner in the law firm of Aikins, MacAulay and Company

LAURENCE M. SAVAGE - - - - - GALT, ONTARIO
Company Director

ALLEN T. LAMBERT - - - - - TORONTO, ONTARIO
Chairman of the Board and President, The Toronto-Dominion Bank

W. LEO KNOWLTON, Q.C. - - - - - TORONTO, ONTARIO
Vice-President, Canada Permanent Trust Company

DONALD K. TOW, O.B.E. - - - - - TORONTO, ONTARIO
Vice-President, Canada Permanent Trust Company

HON. C. J. BURCHELL, P.C., Q.C., LL.D. - - - - - HALIFAX, NOVA SCOTIA
Partner in the law firm of Burchell, Smith, Jost, Burchell & Chisholm

COLIN M. A. STRATHY, Q.C. - - - - - TORONTO, ONTARIO
Partner in the law firm of Strathy, Cowan & Setterington

FREDERICK G. GARDINER, Q.C., LL.D. - - - - - TORONTO, ONTARIO
Partner in the law firm of Parkinson, Gardiner, Roberts

A. BRUCE MATTHEWS, C.B.E., D.S.O. - - - - - TORONTO, ONTARIO
Chairman of the Board, The Excelsior Life Insurance Company

NORMAN S. ROBERTSON, Q.C. - - - - - TORONTO, ONTARIO
*Director and Chairman of the Executive Committee,
North American Life Assurance Company*

BRIAN R. B. MAGEE - - - - - TORONTO, ONTARIO
President, A. E. LePage Limited

BEVERLEY MATTHEWS, C.B.E., Q.C. - - - - - TORONTO, ONTARIO
Partner in the law firm of McCarthy & McCarthy

CANADA PERMANENT

Balance Sheet

ASSETS

	1965	1964
Cash - - - - -	\$ 11,612,959	\$ 7,544,779
Loans on bonds and stocks - - - - -	1,816,358	1,132,958
	<u>\$ 13,429,317</u>	<u>\$ 8,677,737</u>
Bonds of or guaranteed by the Government of Canada - - - - -	\$ 27,946,589	\$ 37,038,903
Bonds of or guaranteed by Provinces of Canada	6,488,391	6,214,603
Bonds of Canadian municipalities - - - - -	2,231,733	2,399,113
Other bonds and debentures - - - - -	11,603,293	12,157,846
Stocks - - - - -	14,175,852	12,897,121
<i>(The investments in bonds, debentures and stocks are carried at values which, in the aggregate, do not exceed market values)</i>	<u>\$ 62,445,858</u>	<u>\$ 70,707,586</u>
Stock of Canada Permanent Trust Company at cost - - - - - <i>(1965—225,795 shares; 1964—225,390 shares)</i>	\$ 13,202,395	\$ 13,191,359
Mortgages, less reserve - - - - -	374,332,683	325,200,898
Office premises at cost, less depreciation - - -	10,150,000	8,490,000
Leasehold improvements at cost, less amortiza- tion - - - - -	583,338	—
	<u><u>\$474,143,591</u></u>	<u><u>\$426,267,580</u></u>

We hereby certify that to the best of our knowledge and belief the foregoing Balance Sheet is correct and shows truly and clearly the financial condition of the Corporation's affairs.

C. F. MACKENZIE, *President*

DONALD K. TOW, *Executive Vice-President*

J. W. ROSE, *General Manager*

} *Directors*

MORTGAGE CORPORATION

1st December, 1965

LIABILITIES

	1965	1964
Deposits and accrued interest - - - - -	\$143,849,414	\$136,627,567
Debentures and accrued interest - - - - -	289,096,854	255,649,106
Income taxes - - - - -	780,000	920,000
Dividends payable 3rd January, 1966 - - - -	798,825	814,802
Sundry accounts - - - - -	27,929	28,676
	<u>\$434,553,022</u>	<u>\$394,040,151</u>

SHAREHOLDERS' FUNDS

Capital stock issued and fully paid—5,325,500 shares of \$2 par value - - - - - (1964—958,590 shares of \$10 par value)*	\$ 10,651,000	\$ 9,585,900
Reserve fund - - - - -	28,500,000	22,500,000
Undivided profits - - - - -	439,569	141,529
	<u>\$ 39,590,569</u>	<u>\$ 32,227,429</u>
<i>*106,510 shares, \$10 par value, were issued during the year; the issued capital stock was later divided into 5,325,500 shares of \$2 par value.</i>	<u>\$474,143,591</u>	<u>\$426,267,580</u>

TO THE SHAREHOLDERS:

We have examined the Balance Sheet of Canada Permanent Mortgage Corporation as at 31st December 1965 and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the above Balance Sheet is properly drawn up to exhibit a true and correct view of the state of the Corporation's affairs as at 31st December 1965, according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

KRIS A. MAPP, F.C.A.
of Thorne, Mulholland, Howson & McPherson
 C. C. MACKECHNIE, F.C.A.
of Price Waterhouse & Co.

} Auditors

Toronto, 10th January, 1966

CANADA PERMANENT MORTGAGE CORPORATION

Statement of Revenue, Expenses and Undivided Profits for the year ended 31st December, 1965

Revenue:	1965	1964
Income from mortgage loans, after transferring \$940,000 to mortgage reserve (1964—\$803,885) - - - -	\$25,100,059	\$21,444,663
Income from bonds and stocks - - -	3,947,520	3,874,246
Other operating revenue - - - -	348,908	446,325
Total Revenue - - - - -	<u>\$29,396,487</u>	<u>\$25,765,234</u>
Expenses:		
Interest on borrowed money - - -	\$18,652,645	\$16,101,880
Salaries, pension fund payments and other staff benefits - - - - -	3,145,811	2,615,067
Depreciation and amortization - - -	466,018	412,600
Other operating expenses, including commissions, advertising, printing and stationery, etc. - - - - -	2,456,836	2,142,752
Total Expenses - - - - -	<u>\$24,721,310</u>	<u>\$21,272,299</u>
Operating profit before income taxes -	\$ 4,675,177	\$ 4,492,935
Net gain on sale of bonds and stocks -	532,026	395,968
	<u>\$ 5,207,203</u>	<u>\$ 4,888,903</u>
Provision for income taxes - - - - -	1,898,003	1,838,803
Net profit for the year - - - - -	<u>\$ 3,309,200</u>	<u>\$ 3,050,100</u>
(Earnings per share)* - - - - -	(64.8¢)	(63.6¢)
Dividends - - - - -	2,343,220	2,252,687
Amount carried forward - - - - -	<u>\$ 965,980</u>	<u>\$ 797,413</u>
Undivided profits at beginning of year -	141,529	344,116
	<u>\$ 1,107,509</u>	<u>\$ 1,141,529</u>
Transfer to reserve fund - - - - -	667,940	1,000,000
Undivided profits at end of year - - -	<u>\$ 439,569</u>	<u>\$ 141,529</u>

*1965—based on average number of shares of \$2 par value outstanding during the year;
1964—restated on basis of \$2 par value.

Statement of Reserve Fund

Balance at beginning of year - - - -	\$22,500,000	\$21,500,000
Premium on stock issued (106,510 shares of the par value of \$10 each) - - -	5,332,060	—
Transfer from undivided profits - - -	667,940	1,000,000
Balance at end of year - - - - -	<u>\$28,500,000</u>	<u>\$22,500,000</u>

CANADA PERMANENT MORTGAGE CORPORATION

Officers

President and Chief Executive Officer - - - - - CHARLES F. MACKENZIE

Executive Vice-President - - - - - DONALD K. TOW, O.B.E.

General Manager - - - - - J. W. ROSE

Deputy General Manager - - - - - C. F. HONEYMAN

Assistant General Manager and Secretary - - - - - GEORGE D. LAVEROCK

Assistant General Managers - - S. J. BUDGE, W. H. MOWAT, J. E. NADEAU

Executive Assistant - - - - - G. GORDON BRYCE

Comptroller - - - - - W. R. PIERCY

Supervisor of Western Branches - - - - - S. J. BUDGE

Supervisor of Central Branches - - - - - R. M. HAZELTON

Supervisor of Eastern Branches - - - - - J. D. HEPBURN

Assistant Secretary - - - - - RONALD A. PARKER

Treasurer - - - - - FRANK A. WORTH

Assistant Treasurer - - - - - ROBERT R. PEACE

Supervisor of Office Premises - - - - - N. MURRAY DINGLE

HEAD OFFICE - - - - - CANADA PERMANENT BUILDING
320 Bay Street, Toronto

CANADA PERMANENT TRUST COMPANY

Board of Directors

President

CHARLES F. MACKENZIE - - - - - TORONTO, ONTARIO

Vice-Presidents

ARTHUR L. BISHOP - - - - - TORONTO, ONTARIO
Chairman, The Consumers' Gas Company

HENRY S. GOODERHAM - - - - - TORONTO, ONTARIO
President, The Dominion of Canada General Insurance Company

W. LEO KNOWLTON, Q.C. - - - - - TORONTO, ONTARIO
Vice-President, Canada Permanent Mortgage Corporation

ALLEN T. LAMBERT - - - - - TORONTO, ONTARIO
Chairman of the Board and President, The Toronto-Dominion Bank

JOHN A. MACAULAY, Q.C., LL.D. - - - - - WINNIPEG, MANITOBA
Partner, Aikins, MacAulay and Company

A. BRUCE MATTHEWS, C.B.E., D.S.O. - - - - - TORONTO, ONTARIO
Chairman, The Excelsior Life Insurance Company

WILLIAM H. MOWAT - - - - - VANCOUVER, B.C.

LAURENCE M. SAVAGE - - - - - GALT, ONTARIO
Company Director

DONALD K. TOW, O.B.E. - - - - - TORONTO, ONTARIO
Vice-President, Canada Permanent Mortgage Corporation

CHARLES S. BAND - - - - - TORONTO, ONTARIO
Vice-President, The Manufacturers Life Insurance Company

HON. C. J. BURCHELL, P.C., Q.C., LL.D. - - - - - HALIFAX, NOVA SCOTIA
Partner, Burchell, Smith, Jost, Burchell & Chisholm

EDGAR G. BURTON, C.B.E. - - - - - TORONTO, ONTARIO
Chairman, Simpsons, Ltd.

ARTHUR H. CAMPBELL - - - - - MONTREAL, QUEBEC

HARRY J. CARMICHAEL, C.M.G. - - - - - ST. CATHARINES, ONTARIO
Vice-President, Conroy Manufacturing Company Limited

CYRIL F. H. CARSON, Q.C., LL.D. - - - - - TORONTO, ONTARIO
Partner, Tilley, Carson, Findlay & Wedd

C. GORDON COCKSHUTT - - - - - BRANTFORD, ONTARIO
President, Cockshutt Securities Limited

ELIOT S. FROSST - - - - - MONTREAL, QUEBEC
Director, Canadian Imperial Bank of Commerce

G. GORDON GALE - - - - - OTTAWA, ONTARIO

FREDERICK G. GARDINER, Q.C., LL.D. - - - - - TORONTO, ONTARIO
Partner, Parkinson, Gardiner, Roberts

WILLIAM C. HARRIS	- - - - -	TORONTO, ONTARIO
<i>President, Harris & Partners Limited</i>		
H. CLIFFORD HATCH	- - - - -	WINDSOR, ONTARIO
<i>President, Hiram Walker-Gooderham & Worts Limited</i>		
HON. R. L. KELLOCK, Q.C., LL.D.	- - - - -	TORONTO, ONTARIO
<i>Counsel, Blake, Cassels & Graydon</i>		
LEON J. LADNER, Q.C.	- - - - -	- VANCOUVER, B.C.
<i>Partner, Ladner, Downs, Ladner, Locke, Clark & Lenox</i>		
HON. T. D'ARCY LEONARD, C.B.E., K.C.S.G., Q.C., LL.D.	- -	TORONTO, ONTARIO
<i>Member of The Senate of Canada</i>		
GORDON C. LINDSAY, C.B.E.*	- - - - -	TORONTO, ONTARIO
J. K. MACDONALD	- - - - -	TORONTO, ONTARIO
<i>President, Confederation Life Association</i>		
GORDON F. MACLAREN, M.B.E., Q.C.	- - - - -	OTTAWA, ONTARIO
<i>Partner, Maclaren, Laidlaw & Corlett</i>		
JAMES I. MACLAREN	- - - - -	HALIFAX, NOVA SCOTIA
<i>President, Maclaren Hope Limited</i>		
H. W. MANNING	- - - - -	WINNIPEG, MANITOBA
<i>Director, The Great-West Life Assurance Company</i>		
DONALD A. MCINTOSH, Q.C.	- - - - -	TORONTO, ONTARIO
<i>Partner, Fraser, Beatty, Tucker, McIntosh & Stewart</i>		
GORDON P. OSLER	- - - - -	TORONTO, ONTARIO
<i>President, UNAS Investments Limited</i>		
RALPH D. PARKER	- - - - -	TORONTO, ONTARIO
J. M. PIGOTT, C.B.E., K.C.S.G.	- - - - -	HAMILTON, ONTARIO
<i>Chairman, Pigott Construction Company Limited</i>		
NORMAN S. ROBERTSON, Q.C.	- - - - -	TORONTO, ONTARIO
<i>Director and Chairman of Executive Committee, North American Life Assurance Company</i>		
RHYS M. SALE, LL.D.	- - - - -	OAKVILLE, ONTARIO
<i>Director, Ford Motor Company of Canada Limited</i>		
CLIFFORD SIFTON, D.S.O.	- - - - -	TORONTO, ONTARIO
<i>Chairman, Armadale Co. Limited</i>		
COLIN M. A. STRATHY, Q.C.	- - - - -	TORONTO, ONTARIO
<i>Partner, Strathy, Cowan & Setterington</i>		
E. HAROLD TANNER, O.B.E.	- - - - -	CALGARY, ALBERTA
<i>Chairman, Triad Oil Co. Ltd.</i>		
W. G. WATSON*	- - - - -	TORONTO, ONTARIO
THOMAS WILDING	- - - - -	TORONTO, ONTARIO
<i>Vice-President, The Toronto-Dominion Bank</i>		
F. G. WINSPEAR, F.C.A., LL.D.	- - - - -	EDMONTON, ALBERTA
<i>Company Director</i>		

*Honorary Director

CANADA PERMANENT

Balance Sheet

ASSETS

	1965	1964
Cash - - - - -	\$ 4,099,311	\$ 4,023,979
Loans on bonds and stocks - - - - -	1,926,373	1,475,293
	<u>\$ 6,025,684</u>	<u>\$ 5,499,272</u>
Bonds of or guaranteed by the Government of Canada, at amortized value - - - - -	\$ 7,939,323	\$ 16,197,466
Bonds of or guaranteed by Provinces of Canada, at amortized value - - - - -	17,010,573	17,193,079
Bonds of Canadian municipalities - - - - -	11,774,976	11,473,887
Other bonds and debentures - - - - -	14,696,253	17,192,880
Stocks - - - - -	2,882,704	2,136,787
<i>(The investments in bonds, debentures and stocks are carried at values which, in the aggregate, do not exceed market values)</i>	<u>\$ 54,303,829</u>	<u>\$ 64,194,099</u>
Advances to Estates and Trusts - - - - -	\$ 168,463	\$ 245,951
Mortgages, less reserve - - - - -	87,350,167	63,336,481
Office premises at cost, less depreciation - - -	4,115,000	3,970,000
	<u>\$151,963,143</u>	<u>\$137,245,803</u>

We hereby certify that to the best of our knowledge and belief the foregoing Balance Sheet is correct and shows truly and clearly the financial condition of the Company's affairs.

C. F. MACKENZIE, *President*

W. LEO KNOWLTON, *Executive Vice-President
and General Manager*

} *Directors*

TOTAL ASSETS UNDER ADMINISTRATION

	1965	1964
Cash, securities and other assets held for Estates, Trusts and Agencies - - - - -	\$1,033,958,938	\$ 947,007,901
Company's Capital and Guaranteed Account assets - - - - -	151,963,143	137,245,803
	<u>\$1,185,922,081</u>	<u>\$1,084,253,704</u>

TRUST COMPANY

31st December, 1965

LIABILITIES

GUARANTEED ACCOUNT	1965	1964
Funds on deposit - - - - -	\$ 43,978,468	\$ 44,471,649
Guaranteed Investment Certificates - - - -	95,618,719	80,647,219
	<u>\$139,597,187</u>	<u>\$125,118,868</u>
Income taxes - - - - -	\$ 408,858	\$ 433,700

CAPITAL

Capital stock issued and fully paid (230,800 shares of \$20 each) - - - - -	\$ 4,616,000	\$ 4,616,000
Reserve fund - - - - -	7,000,000	6,750,000
Undivided profits - - - - -	341,098	327,235
	<u>\$ 11,957,098</u>	<u>\$ 11,693,235</u>
	<u>\$151,963,143</u>	<u>\$137,245,803</u>

TO THE SHAREHOLDERS OF CANADA PERMANENT TRUST COMPANY:

We have examined the Balance Sheet of Canada Permanent Trust Company as at 31st December, 1965 and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the above Balance Sheet is properly drawn up to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1965, according to the best of our information and the explanations given to us and as shown by the books of the Company.

KRIS A. MAPP, F.C.A., of Thorne, Mulholland, Howson & McPherson }
J. R. M. WILSON, F.C.A., of Clarkson, Gordon & Co. } Auditors

Toronto, 10th January, 1966

CANADA PERMANENT TRUST COMPANY

Statement of Revenue, Expenses and Undivided Profits for the year ended 31st December, 1965

Revenue:	1965	1964
Fees and commissions - - - - -	\$ 6,809,160	\$ 6,635,511
Income from mortgage loans, after transferring \$195,000 to mortgage reserve (1964—\$140,000) - - - -	4,754,055	3,616,500
Income from bonds and stocks - - -	3,114,624	2,877,372
Other operating revenue - - - - -	433,586	406,992
Total Revenue - - - - -	<u>\$15,111,425</u>	<u>\$13,536,375</u>
Expenses:		
Interest on funds on deposit and Guar- anteed Investment Certificates - -	\$ 6,043,601	\$ 4,931,878
Salaries, pension fund payments and other staff benefits - - - - -	4,764,948	4,641,930
Depreciation and amortization - - -	196,799	167,072
Other operating expenses, including rents, commissions, advertising, printing and stationery, etc. - - -	2,401,238	2,136,088
Total Expenses - - - - -	<u>\$13,406,586</u>	<u>\$11,876,968</u>
Operating profit before income taxes -	\$ 1,704,839	\$ 1,659,407
Net gain on sale of assets, after transfer- ring \$398,113 to investment reserve (1964—\$46,580) - - - - -	18,424	5,344
	<u>\$ 1,723,263</u>	<u>\$ 1,664,751</u>
Provision for income taxes - - - - -	767,000	763,000
Net profit for the year - - - - -	\$ 956,263	\$ 901,751
Dividends declared and paid - - - -	692,400	634,700
Amount carried forward - - - - -	\$ 263,863	\$ 267,051
Undivided profits at beginning of year -	327,235	310,184
	<u>\$ 591,098</u>	<u>\$ 577,235</u>
Transfer to reserve fund - - - - -	250,000	250,000
Undivided profits at end of year - - -	<u>\$ 341,098</u>	<u>\$ 327,235</u>

Statement of Reserve Fund

Balance at beginning of year - - - -	\$ 6,750,000	\$ 6,500,000
Transfer from undivided profits - - -	250,000	250,000
Balance at end of year - - - - -	<u>\$ 7,000,000</u>	<u>\$ 6,750,000</u>

CANADA PERMANENT TRUST COMPANY

Officers

President and Chief Executive Officer - - - - - CHARLES F. MACKENZIE

Executive Vice-President and General Manager - - - W. LEO KNOWLTON, Q.C.

Vice-President - - - - - W. H. MOWAT, *Vancouver*

Deputy General Manager - - - - - F. A. WANSBROUGH

Assistant General Managers

J. W. MILLAR J. D. PORTER, C.A., *Comptroller* H. W. PURCHASE, *Treasurer*

D. G. NEELANDS BERKELEY HYNES WILLIAM C. WHITESIDE

J. E. NADEAU, *Montreal* JOHN K. WEDLAKE, *Brantford*

Secretary - - - - - G. F. MCKITTERICK

Executive Assistant - - - - - G. GORDON BRYCE

Chief Transfer Officer - - - - - B. B. UPSHALL

Corporate Trust Officer - - - - - J. ROSS YOUNG

Assistant Treasurer - - - - - G. E. GORDON FORBES

Assistant Secretaries - - - - - H. C. HARVEY, C. J. MCKAUGHAN

HEAD OFFICE - - - - - CANADA PERMANENT BUILDING
320 Bay Street, Toronto

CANADA PERMANENT OFFICES

TORONTO

320 BAY STREET, TORONTO 1 - - - - - *Manager*—C. F. HONEYMAN

253 BAY STREET, TORONTO 1 - - - - - *Manager*—D. G. NEELANDS

36 BLOOR STREET WEST, TORONTO 5 - - - *Manager*—W. G. HOWLETT

123 EGLINTON AVENUE EAST, TORONTO 12 - - *Manager*—G. W. B. KAY

3335 YONGE STREET, TORONTO 12 - - *Manager*—M. K. LONGBOTTOM

4833 YONGE STREET, WILLOWDALE - - - *Manager*—H. M. FALCONER

2901 DANFORTH AVENUE, TORONTO 13 - *Manager*—WILLIAM B. FAHEY

ST. JOHN'S, NEWFOUNDLAND - - 240 WATER STREET, ST. JOHN'S, NFLD.
Manager—JACK DALE

CHARLOTTETOWN - - - - 129 KENT STREET, CHARLOTTETOWN, P.E.I.
Manager—DONALD H. STANHOPE

HALIFAX - - - - - BARRINGTON AT SACKVILLE, HALIFAX, N.S.
Manager—G. S. HAWKINS

DARTMOUTH - - - - - 170 PORTLAND STREET, DARTMOUTH, N.S.
Manager—F. A. KIELEY

SAINT JOHN - - - - MARKET SQUARE AND DOCK STREET, SAINT JOHN, N.B.
Manager—R. R. SCARBOROUGH

FREDERICTON - - - - - 636 QUEEN STREET, FREDERICTON, N.B.
Manager—R. S. PAYNE

MONTREAL - - 600 DORCHESTER BOULEVARD WEST, MONTREAL 2, QUEBEC
Manager—J. E. NADEAU

OTTAWA - - - - - 30 METCALFE STREET, OTTAWA 4, ONTARIO
Manager—E. H. SMITH

PORT HOPE - - - - - 114 WALTON STREET, PORT HOPE, ONTARIO
Manager—C. M. LAWSON

OSHAWA - - - - - OSHAWA SHOPPING CENTRE, OSHAWA, ONTARIO
Manager—J. W. FROUD

OAKVILLE - - - - 233 LAKESHORE ROAD EAST, OAKVILLE, ONTARIO
Manager—J. H. HERRING

HAMILTON - - - - - 47 JAMES STREET SOUTH, HAMILTON, ONTARIO
Manager—J. L. COBURN

BRANTFORD - - - - - 70 MARKET STREET, BRANTFORD, ONTARIO
Manager—JOHN K. WEDLAKE

GALT - - - - - 27 WATER STREET NORTH, GALT, ONTARIO
Manager—E. J. PATTERSON

KITCHENER - - - - - 19 KING STREET EAST, KITCHENER, ONTARIO
Manager—J. L. COLLIS

WOODSTOCK - - - - - 539 DUNDAS STREET, WOODSTOCK, ONTARIO
Manager—C. G. MITCHELL, Q.C.

LONDON - - - - - 361 RICHMOND STREET, LONDON, ONTARIO
Manager—NORMAN A. MITCHELL

WINDSOR - - - - - 545 OUELLETTE AVENUE, WINDSOR, ONTARIO
Manager—H. L. VINCENT

SARNIA - - - - - 195 CHRISTINA STREET NORTH, SARNIA, ONTARIO
Manager—N. J. LUNDVALL

SUDBURY - - - - - 120 DURHAM STREET SOUTH, SUDBURY, ONTARIO
Manager—R. J. D. DENCH

SAULT STE. MARIE - - - - - CHURCHILL PLAZA, HIGHWAY NO. 17 EAST,
 SAULT STE. MARIE, ONTARIO
Manager—E. HAMILTON SMITH

PORT ARTHUR - - - - - 239 ARTHUR STREET, PORT ARTHUR, ONTARIO
Manager—E. S. HIRD

WINNIPEG - - - - - 433 PORTAGE AVENUE, WINNIPEG 2, MANITOBA
Manager—C. R. WILSON

REGINA - - - - - 1935 SCARTH STREET, REGINA, SASKATCHEWAN
Manager—C. W. CONRAD

SASKATOON - - 2ND AVENUE AND 21ST STREET, SASKATOON, SASKATCHEWAN
Manager—HOWARD M. BROWN

CALGARY
 315 EIGHTH AVE. WEST, CALGARY, ALBERTA - *Manager—HOWARD P. MILLER*
 CHINOOK CENTRE, CALGARY, ALBERTA - - - - *Manager—R. E. WHITE*

EDMONTON - - - - - 10038 JASPER AVENUE, EDMONTON, ALBERTA
Manager—S. B. NOBLE

DAWSON CREEK - - - - - 10208 TENTH STREET, DAWSON CREEK, B.C.
Manager—R. K. LANE

PRINCE GEORGE - - - - - 444 VICTORIA STREET, PRINCE GEORGE, B.C.
Manager—A. KEITH FORSYTH

PENTICTON - - - - - 262 MAIN STREET, PENTICTON, B.C.
Manager—F. MURPHY

CHILLIWACK - - - - - 61 YALE ROAD EAST, CHILLIWACK, B.C.
Manager—B. W. TOWLER

VANCOUVER
 455 GRANVILLE ST., VANCOUVER 2, B.C. - - - *Managers—S. J. BUDGE*
 G. E. DONNELLY, G. A. J. WILSON
 2699 GRANVILLE ST., VANCOUVER 9, B.C. - - *Manager—R. S. ROBSON*

VICTORIA - - - - - FORT AND DOUGLAS STREETS, VICTORIA, B.C.
Manager—R. FRANK ALLEN

BRANCH ADVISORY BOARDS

HALIFAX *Chairman* JAMES I. MACLAREN

HON. CHARLES J. BURCHELL, P.C., Q.C., LL.D. CHARLES C. MITCHELL

W. H. JOST, Q.C.

BRIGADIER VICTOR DE B. OLAND

CHARLES E. MACCULLOCH

JOHN E. SHAFFNER

MONTREAL *Chairman* ELIOT S. FROSST

E. J. BRUNNING, C.B.E.

FRANK S. MCGILL, C.B.

ARTHUR H. CAMPBELL

R. PANET-RAYMOND

OTTAWA *Chairman* G. F. MACLAREN, M.B.E., Q.C.

G. E. BEAMENT, O.B.E., C.St.J., E.D., Q.C.

DAVID A. GILLIES

WILLARD R. BEATTY

ROY H. HYNDMAN, A.F.C.

D. HAMILTON FINDLAY

C. J. MACKENZIE, C.M.G., D.Sc., LL.D.

G. GORDON GALE

DONALD MACLAREN

HENRY R. T. GILL, C.L.U.

HAMILTON *Chairman* J. M. PIGOTT, C.B.E., K.C.S.G.

C. H. BOOTHE

EMILE L. DUBOIS

WINNIPEG *Chairman* JOHN A. MACAULAY, Q.C., LL.D.

R. H. G. BONNYCASTLE

ARNOLD G. KIRKNESS

E. S. COOPER

H. W. MANNING

ARTHUR E. JOHNSTON, Q.C.

REGINA *Chairman* C. MORLEY WILLOUGHBY

C. ROBERTS DAVIDSON, Q.C.

JOHN W. PEART

GORDON B. GRANT

NORMAN E. WHITMORE

SASKATOON *Chairman* M. A. EAST

ROY H. BOWMAN

HERBERT C. PINDER

SIDNEY L. BUCKWOLD

JAMES H. W. SANDERSON

DAVID E. GAULEY, Q.C.

C. G. SCHMITT, Q.C.

CALGARY *Chairman* E. HAROLD TANNER, O.B.E.

DAVID E. BLACK

REGINALD FREDERICK JENNINGS

J. A. BRUSSET

J. HOWARD KELLY, Q.C.

GEORGE E. EDWORTHY

BRETT F. SINE

EDMONTON *Chairman* F. G. WINSPEAR, F.C.A., LL.D.

H. A. DYDE, O.B.E., M.C., Q.C.

OLIVER C. MCINTYRE

GEORGE W. GOLDEN

(MRS.) MARY H. MOONEY

GERALD R. HEFFERNAN

VANCOUVER *Chairman* LEON J. LADNER, Q.C.

RALPH D. BAKER

N. A. M. MACKENZIE, C.M.G., Q.C., LL.D.

R. J. FILBERG, O.B.E.

HON. STANLEY S. MCKEEN, O.B.E., K.St.J.

FRANK A. GRIFFITHS, C.A.

W. H. MOWAT

LEON J. KOERNER, LL.D.

P. R. SANDWELL

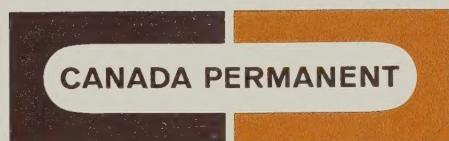
The Canada Permanent Story

Canada Permanent began in 1855 as successor to two building societies.

Building societies originated in 1815 in Scotland, quickly spread to England and then in 1845, to Canada. They were organized to enable persons without capital, but earning regular wages, to become home owners. Members subscribed small sums regularly to create a common fund from which the members could borrow. The societies were never intended to stay in business indefinitely. In fact, when they were organized their termination, when all the shares of the members had realized their full amount, could usually be predicted. Ten to fourteen years was the average lifetime of a building society.

In 1854 resolutions were passed by the members of the two societies referred to, reading: "That in view of the early and successful termination of the Toronto Building Society, established in 1846, and of the Farmers and Mechanics Building Society, established in 1847, and the continued demand for loans on real estate for erecting buildings and other improvements, it is desirable to organize another society to succeed those about to expire to be on the permanent principle and to receive money on deposit as a savings institution. That the style and title of the new society shall be the Canada Permanent Building and Savings Society." From this starting point Canada Permanent has developed into the largest trust and loan complex in Canada, operating 42 branches stretching from coast to coast.

The Canada Permanent companies were incorporated under Special Act of the Parliament of Canada and are under Federal supervision.



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